



AN ACT REVISING THE PERCENTAGE OWNERSHIP REQUIREMENTS FOR APPROVAL OF UNIT PLAN OPERATIONS BY PERSONS PAYING THE COSTS OF UNIT OPERATIONS; AMENDING SECTION 82-11-207, MCA; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 82-11-207, MCA, is amended to read:

**"82-11-207. Approval of plan for unit operations by persons paying costs.** An order of the board providing for unit operations may not become effective unless ~~and until~~ the plan for unit operations prescribed by the board has been approved in writing by those persons who under the board's order will be required to pay at least ~~80%~~ 70% of the costs of the unit operations and also by the persons owning at least ~~80%~~ 60% of the production or proceeds ~~thereof~~ of the unit operations that will be credited to interests ~~which that~~ are free of cost, such as royalties, overriding royalties, and production payments, and the board has made a finding, either in the order providing for unit operations or in a supplemental order, that the plan for unit operations has been ~~so~~ approved; ~~however,~~ However, if one owner who is obligated to pay costs of the unit operation owns ~~80%~~ 70% or more but less than 100%, the approval of that owner and at least one other ~~such~~ owner is required, and if one person entitled to production or proceeds ~~thereof~~ of the production that will be credited to interests ~~which that~~ are free of costs owns ~~80%~~ 60% or more but less than 100%, the approval of that person and at least one other ~~such person owner~~ is required. If the plan for unit operations has not been ~~so~~ approved at the time the order providing for unit operations is made, the board shall, upon application and notice, hold ~~such~~ supplemental hearings ~~as that~~ may be required to determine if and when the plan for unit operations has been ~~so~~ approved. If the requisite number of owners and persons and the requisite percentage of interests in the unit area do not approve the plan for unit operations within a period of 6 months from the date on which the order providing for unit operations is made, the board shall revoke the order unless, for good cause shown, the board extends the time."

**Section 2. Effective date.** [This act] is effective July 1, 2009.

- END -

I hereby certify that the within bill,  
SB 0076, originated in the Senate.

---

Secretary of the Senate

---

President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009.

---

Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009.

SENATE BILL NO. 76

INTRODUCED BY J. BLACK

BY REQUEST OF THE BOARD OF OIL AND GAS CONSERVATION AND THE DEPARTMENT OF  
NATURAL RESOURCES AND CONSERVATION

AN ACT REVISING THE PERCENTAGE OWNERSHIP REQUIREMENTS FOR APPROVAL OF UNIT PLAN  
OPERATIONS BY PERSONS PAYING THE COSTS OF UNIT OPERATIONS; AMENDING SECTION 82-11-207,  
MCA; AND PROVIDING AN EFFECTIVE DATE.